

MEMORANDUM FOR: Deputy Director for Science and Technology
 SUBJECT: Changes in Planning and Budget Procedures

Adm 10.7

1. The recent Combined Program Call and budget exercises have confirmed my feeling that certain basic documentation and management data is ineffective for good planning and programming. The fact that our planning submissions were submitted to OPPB and therefore to the Bureau of the Budget by individual contract and in such great detail only confused the long-term planning processes of the Directorate. We felt that it was essential that there should be a more efficient method of presenting a comprehensive, simple and standard system of grouping functions and attaining uniformity of nomenclature. We have focused a good deal of effort on this requirement and feel that we now have a program with which we can go forward and which will give us the needed information for various levels of management and for reporting to OPPB and the Bureau of the Budget.

2. Phase I of our new procedure bases its goal of uniformity in fiscal reporting and contract information on the hierarchy of functional groupings that currently exist in the Agency, that is, categories, sub-categories and elements. We have for FY '68, however, eliminated sub-elements and have grouped like tasks or efforts as projects as much as possible under the element level. The so-called Shopping List (Form 1276) will no longer be furnished to OPPB with individual contracts listed. Instead, only projects would be listed, identified for the most part by cryptonyms with a short explanation of the type of effort the cryptonym stands for. Individual contract information would be contained in subsidiary records consisting of the Contract Information System.

3. Phase II of our new procedure calls for a reorganization of the sub-categories and elements in the Agency's R&D category to more accurately reflect the mission which the projects are aimed at accomplishing. We are looking towards revising the sub-categories under R&D to conform with the functions that the Agency performs for the Intelligence Community. In other words, the categories under which the Agency reports to the Bureau of the Budget would be used as sub-categories under R&D with the additional sub-categories of exploratory research and management support. We realize, of course, that these changes will require Agency-wide implementation. We have already discussed this approach with OPPB and have received favorable reaction from them.

4. With the revision and upgrading of the Contract Information System, we are accomplishing a "first" which has long been a goal in the Agency. That is, we are tying our Management Information System in with the Agency financial system. In other words, our Contract Information System is being so structured that the FAN data number (allotment account number), which the various budget and fiscal offices use to obligate funds in the financial system, will automatically be

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entered into our information system. This FAN data account number will replace the budget control number in our information system.

5. We have worked very closely with OCS in developing an upgrading of the present system and hope to have it fully operational in the early part of FY '68.

[REDACTED]
[REDACTED]
Comptroller
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